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GOVERNMENT STRESSES REHABILITATION OF PETROLEUM INDUSTRY;
CANTON TO REBUILD LARGE PAPER PLANT

MINISTRY SETS PETROLEUM QUOTAS, POLICIES -- Peiping Jen-min Jih-pao, 4 May 50

3 May, (Hsin-hua) -- Policies and quotas for the petroleum industry of New China were set by the Ministry of Fuel Industries of the Central People's government at the National Petroleum Industry Conference held in Peiping from 13 to 24 April 1950. The assembly has decided that the essential program for the petroleum industry of China shall concentrate on rehabilitating the existing facilities within 3 years, improving the efficiency of the existing equipment, increasing production, and stepping up the process of research and reconstruction to serve the needs of national defense, communications, and industry. Attainment of these goals necessitates stronger central leadership, planned use of engineering cadres as well as equipment and materials, thorough democratic reforms, training and advancement in techniques, and the conversion to a business-like system of quotas.

The assembly stressed the importance of developing the petroleum resources of the Northwest, and accelerating the rehabilitation of the Northeast's synthetic petroleum industry. The rebuilding of the Northeast is to begin at the Fu-shun, Chin-chow, Chin-ssu, and Ssu-p'ing plants, in that order. The technician cadres are to be built up and trained. The assembly recognized that, to strengthen research in the Northwest and to speed up recovery in the Northeast synthetic petroleum industry, it will be necessary to send out large numbers of superior cadres to both areas, if the needs of the nation's petroleum industry are to be adequately met.

In his closing remarks to the assembly, Ch'en Yu, Chief of the Ministry of Fuel Industries, stressed the necessity of working assiduously with the materials and equipment at hand, owing to the difficult financial condition of the nation at present, and called upon the conferees to study and emulate the conservation methods of the USSR.

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PETROLEUM CENTERS RECOVER PRODUCTIVITY -- Peiping Jen-min Jih-pao. 4 May 50

Recovery of productive capacity is apparent at the synthetic petroleum production centers of Fu-shun, Chin-chou, Chin-hsi, Ssu-p'ing, and Kirin, in the Northeast, and in the natural petroleum production areas of Yu-men, Wu-su, and Yen-ch'ang, in the Northwest.

The production target at Fu-shun is twice the production of 1949. If the equipment at this place can be fully restored and completely utilized, production can be made to exceed that of the time of the Japanese occupation. The facilities at Chin-chou, chin-hsi, Ssu-p'ing, and Kirin are in the process of reconstruction. The refinery at Dairen resumed production in February 1950.

At the Yu-men natural field in Kansu, China's largest, production was not stopped at the time of the liberation. While every effort has been made to keep production up to the pre-liberation level, only about four-sevenths of the capacity of the plant is being exploited. One important drawback is the lack of sufficient storage facilities and transport. The average daily production of gasoline and kerosene for the last 3 months of 1949 was 25 percent higher than before the liberation. Constant efforts are being made to improve the quality of the products.

The Yen-ch'ang oil-field installations were considerably damaged by the KMT troops in 1947; however, the most important equipment was saved by removal to places of safety, and by the determined stand taken by the workers in armed defense of the plant. A quick restoration was effected after the retreat of the KMT forces and an increase in production has been noted. In 1949, production of crude oil was triple that of 1948. Production of gasoline and kerosene increased by 13 percent. The workmen at this plant have cheerfully put up with almost nonexistent shelter and delays of several months in wage payments to keep the work going.

At the Yu-men installation, workmen showed their fine spirit by repairing, in 2 days, a transmission pipe that ordinarily would have required 8 to 10 days to repair, and this in spite of temperatures of 20 to 30 degrees below zero. They also recovered over 200 tons of usable materials from scrap piles. This was a great aid in construction.

The employees of the China Petroleum Company have recovered 14,600 meters of steel pipe and 120 tons of oil tank metal from scrap heaps.

At present, all these enterprises are deficient in business-like methods. There is much wastefulness. At the Yu-men field, the production of fuel oil is only 54 percent of the crude oil production and there is much wastage. The rate of gasoline production could be increased by elimination of waste and addition of some needed equipment.

At Fu-shun, crude oil is used as fuel in the production of gasoline with an annual wastage of 3,000 tons.

Wastage in the utilization of labor, in transportation, and in the use of machinery and materials is also very great. An honest effort should be made by responsible cadres to look at these matters from the viewpoint of the national welfare, to reduce costs by following careful financial policies, and to institute democratic administrative practices.

KIRIN PUBLIC INDUSTRY ENJOYS BOOM -- Mukden Tung-pei Jih-pao, 5 May 50

Amazing industrial progress was made by public industry of Kirin during the past year. Of the 23 state-owned factories which were operating in the city in May 1949, there were only two employing more than 600 men and only three employing between 200 and 300 men. By the end of April 1950, however, there were six factories employing more than 600 men and 12 factories employing between 200 and 300 men.

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The number of factory employees also showed a noticeable increase during the same period. In May 1949, total factory employees were estimated at about 11,000 of which 5,000 were employed by private industry; but by April of this year, the figures soared to about 20,000, of which 14,000 are employed by state-owned industry. This increase in factory employment has helped tremendously in solving the unemployment situation of the city. The municipal labor office has reported that it placed more than 7,900 unemployed in the various factories between November 1949 and April 1950.

The number of cooperatives also increased during the past year. In March 1949, there were 36 cooperatives with a membership of about 25,600, but by March 1950, the number of cooperatives had increased to 45, while membership rose to about 41,500.

KWANGTUNG PAPER PLANT TO BE RECONSTRUCTED -- Hong Kong Kung-shang Jih-pao,
12 Jun 50

Plans have been made to reconstruct the provincially owned Kwangtung Paper Plant of Nan-shih-t'ou, Canton. This is considered one of the largest paper plants in South China. The Ministry of Heavy Industry of the Central People's government has set aside 7,382,690,700 yuan to be spent during the first period on repairs and equipment.

It will take approximately 3 months to install all the necessary equipment for paper making; but the immediate problem is to find suitable material for the project.

The plant is sending 26 individuals to the Northeast to be trained, of whom 12 are employees and 14 are students of the Kwangtung Provincial Higher Technical Vocational school. They will spend 3 months training in a location which will be determined after they have reached Peiping.

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